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Tax to Pay Tuition and Fees at California Public Universities. Initiative Constitutional Amendment and Statute.

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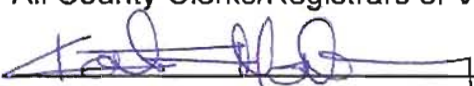
DEBRA BOWEN | SECRETARY OF STATE
STATE OF CALIFORNIA | ELECTIONS

1500 11th Street, 5th Floor | Sacramento, CA 95814 | Tel (916) 657-2166 | Fax (916) 653-3214 | www.sos.ca.gov

July 10, 2012

County Clerk/Registrar of Voters (CC/ROV) Memorandum #12225

TO: All County Clerks/Registrars of Voters and Proponents

FROM: 
Katherine Montgomery
Initiative Program Manager

RE: Initiative: Failure of #1559, Related to Education

Pursuant to Elections Code section 9030(b), you are hereby notified that the total number of signatures for the hereinafter named initiative constitutional amendment and statute filed with all county elections officials is less than 100 percent of the number of qualified voters required to find the petition sufficient; therefore, the petition has **failed**.

TITLE: TAX TO PAY TUITION AND FEES AT CALIFORNIA
PUBLIC UNIVERSITIES. INITIATIVE CONSTITUTIONAL
AMENDMENT AND STATUTE.

SUMMARY DATE: January 23, 2012

PROPONENTS: Suneal Kolluri, Richard Boettner, and Kara Duros



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January 23, 2012

County Clerk/Registrar of Voters (CC/ROV) Memorandum #12036

TO: All County Clerks/Registrars of Voters and Proponents

FROM:


Rhonda L. Pascual
Program Manager

RE: Initiative: 1559, Related to Education

Pursuant to Elections Code section 9004 (c), we transmit herewith a copy of the Title and Summary prepared by the Attorney General on a proposed initiative measure entitled:

**TAX TO PAY TUITION AND FEES
AT CALIFORNIA PUBLIC UNIVERSITIES.
INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE.**

The proponents of the above-named measure are:

Suneal Kolluri suneal@gmail.com
Richard Boettner richlizalex@sbcglobal.net
Kara Duros karaac@gmail.com

#1559

**TAX TO PAY TUITION AND FEES
AT CALIFORNIA PUBLIC UNIVERSITIES.
INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE.**

CIRCULATING AND FILING SCHEDULE

1. Minimum number of signatures required: 807,615
California Constitution, Article II, Section 8(b)
2. Official Summary Date: Monday, 01/23/12
3. Petitions Sections:
 - a. First day Proponent can circulate Sections for
signatures (Elections Code § 336) Monday, 01/23/12
 - b. Last day Proponent can circulate and file with the county.
All sections are to be filed at the same time within each
county. (Elections Codes §§ 9014, 9030(a)) Thursday, 06/21/12
 - c. Last day for county to determine total number of
signatures affixed to petitions and to transmit total
to the Secretary of State (Elections Code § 9030(b)) Tuesday, 07/03/12

(If the Proponent files the petition with the county on a date prior to
06/21/12, the county has eight working days from the filing of the petition
to determine the total number of signatures affixed to the petition and to
transmit the total to the Secretary of State) (Elections Code § 9030(b).)
 - d. Secretary of State determines whether the total number
of signatures filed with all county clerks/registrars of
voters meets the minimum number of required signatures
and notifies the counties Thursday, 07/12/12*
 - e. Last day for county to determine total number of qualified
voters who signed the petition, and to transmit certificate
with a blank copy of the petition to the Secretary of State
(Elections Code §§ 9030(d)(e)) Thursday, 08/23/12

* Date varies based on the date of county receipt.

INITIATIVE #1559

Circulating and Filing Schedule continued:

(If the Secretary of State notifies the county to determine the number of qualified voters who signed the petition on a date other than 07/12/12, the last day is no later than the thirtieth working day after the county's receipt of notification). (Elections Code §§ 9030(d)(e).)

- f. If the signature count is more than 888,377 or less than 767,235 then the Secretary of State certifies the petition as qualified or failed, and notifies the counties. If the signature count is between 767,235 and 888,377 inclusive, then the Secretary of State notifies the counties using the random sampling technique to determine the validity of **all** signatures (EC §9030(f)(g); 9031(a)) Sunday, 09/02/12*

- g. Last day for county to determine actual number of all qualified voters who signed the petition, and to transmit certificate with a blank copy of the petition to the Secretary of State. (Elections Code §§ 9031(b)(c)). Wednesday, 10/17/12

(If the Secretary of State notifies the county to determine the number of qualified voters who have signed the petition on a date other than 09/02/12, the last day is no later than the thirtieth working day after the county's receipt of notification.) (Elections Code §§ 9031(b)(c).)

- h. Secretary of State certifies whether the petition has been signed by the number of qualified voters required to declare the petition sufficient (Elections Code §§ 9031(d), 9033). ... Sunday, 10/21/12*

*Date varies based on the date of county receipt.

IMPORTANT POINTS

- California law prohibits the use of signatures, names and addresses gathered on initiative petitions for any purpose other than to qualify the initiative measure for the ballot. This means that the petitions cannot be used to create or add to mailing lists or similar lists for any purpose, including fundraising or requests for support. Any such misuses constitutes a crime under California law. Elections Code § 18650; *Bilofsky v. Deukmejian* (1981) 124 Cal.App.3d 825, 177 Cal.Rptr. 621; 63 Ops.Cal.Atty.Gen. 37 (1980).
- Please refer to Elections Code §§ 100, 101, 104, 9008, 9009, 9013, 9021, and 9022 for appropriate format and type consideration in printing, typing and otherwise preparing your initiative petition for circulation and signatures. Please send a copy of the petition after you have it printed. This copy is not for our review or approval, but to supplement our file.
- Your attention is directed to the campaign disclosure requirements of the **Political Reform Act of 1974**, Government Code section 81000 et seq.
- When writing or calling state or county elections officials, provide the official title of the initiative which was prepared by the Attorney General. Use of this title will assist elections officials in referencing the proper file.
- When a petition is presented to the county elections official for filing by someone other than the proponent, the required authorization shall include the name or names of the persons filing the petition.
- When filing the petition with the county elections official, please provide a blank petition for elections official use.

KAMALA D. HARRIS
Attorney General

State of California
DEPARTMENT OF JUSTICE



1300 I STREET, SUITE 125
P.O. BOX 944255
SACRAMENTO, CA 94244-2550

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E-Mail: Ashley.Johansson@doj.ca.gov

January 23, 2012

The Honorable Debra Bowen
Secretary of State
Office of the Secretary of State
1500 11th Street, 5th Floor
Sacramento, CA 95814

Attention: Ms. Katherine Montgomery
Elections Analyst

FILED
In the office of the Secretary of State
of the State of California

JAN 23 2012

Debra Bowen, Secretary of State
By  Deputy Secretary of State

Dear Secretary Bowen:

Pursuant to Elections Code section 9004, you are hereby notified that on this day we sent our title and summary for the following proposed initiative to the proponent:

- 11-0086, "Tax to Fund Free State Resident Tuition for UC and CSU"

A copy of that title and summary and text of the proposed initiative is enclosed. Please contact me if you have questions. Thank you.

Sincerely,



ASHLEY JOHANSSON
Initiative Coordinator

For KAMALA D. HARRIS
Attorney General

cc: Richard Boettner
Kara Duros
Suneal Kolluri

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

TAX TO PAY TUITION AND FEES AT CALIFORNIA PUBLIC UNIVERSITIES.

INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE. Adds .7 percent to personal income tax rate applied to taxable income over \$250,000 (over \$342,465 if filing as head of household), and adds 1.7 percent to personal income tax rate applied to taxable income over \$500,000 (over \$684,930 if filing as head of household). Allocates new revenue to pay up to four years' tuition and fees for full-time undergraduate California residents attending University of California or California State University who maintain minimum 2.7 grade point average or perform 70 hours of annual community service. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Annual loss of state tuition revenue of about \$2.8 billion per year beginning in 2013-14, backfilled by additional state personal income tax revenue that is likely to total \$2 billion or more per year. Potential shortfalls in university resources in some fiscal years would have to be addressed through some combination of cost reductions and alternative funding sources, which could create pressure on the state General Fund. (11-0086)**

Re: Request for the Preparation of a Circulating Title and Summary

To: The Attorney General of California

We, Suneal Kolluri, Richard Boettner, and Kara Duros, proponents of the enclosed proposed initiative measure, make a formal request of the Attorney General of California to prepare a circulating title and summary of the chief purpose and points of the proposed measure.

Sincerely,

Suneal Kolluri

suneal@gmail.com

Suneal Kolluri
11-18-11

Richard Boettner

richlizaalex@sbcglobal.net

Richard Boettner
11-18-11

Kara Duros

karaac@gmail.com

Kara Duros
11/19/11

RECEIVED

NOV 28 2011

INITIATIVE COORDINATOR
ATTORNEY GENERAL'S OFFICE

INITIATIVE MEASURE TO BE SUBMITTED DIRECTLY TO THE VOTERS

12-point
Boldface
Type

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

(Here set forth the title and summary prepared by the Attorney General. This title and summary must also be printed across the top of each page of the petition whereon signatures are to appear.)

TO THE HONORABLE SECRETARY OF STATE OF CALIFORNIA

Type: Roman
Boldface not
smaller than
12-point

We, the undersigned, registered, qualified voters of California, residents of _____ County (or City and County), hereby propose amendments to the Constitution of the State, the Education Code, and the Revenue and Taxation Code, relating to postsecondary education, and petition the Secretary of State to submit the same to the voters of California for their adoption or rejection at the next statewide primary or general election or at any special statewide election held prior to that statewide primary or general election or otherwise provided by law. The proposed constitutional and statutory amendments (full title and text of measure) read as follows:

SECTION 1. Section 10 is added to Article IX of the California Constitution, to read:

SEC. 10. (a) A resident of California enrolled as a full-time undergraduate student at the University of California is not required to pay mandatory systemwide tuition or fees for a period of four continuous academic years provided that, each academic year, he or she (1) maintains a cumulative grade point average of 2.7 or higher based upon a 4.0 scale, or (2) performs 70 hours of community service as defined by the Regents of the University of California.

(b) An amount equal to the amount of the mandatory systemwide resident tuition or fees that would otherwise be annually collected by the University of California in the absence of subdivision (a) shall annually be transferred to the university pursuant to Section 66017.7 of the Education Code.

SEC. 2. Section 66017.5 is added to the Education Code, to read:

66017.5. (a) Notwithstanding Chapter 6 (commencing with Section 89700) of Part 55 of Division 8, a resident of California enrolled as a full-time undergraduate student with the California State University is not required to pay mandatory systemwide tuition or fees for a period of four continuous academic years provided that, each academic year, he or she (1) maintains a cumulative grade point average of 2.7 or higher based upon a 4.0 scale, or (2) performs 70 hours of community service as defined by the Trustees of the California State University.

(b) An amount equal to the amount of the mandatory systemwide resident tuition or fees that would otherwise be collected by the California State University in the

absence of subdivision (a) shall be annually transferred to the university pursuant to Section 66017.7.

SEC. 3. Section 66017.7 is added to the Education Code, to read:

66017.7. (a) There is in the State Treasury the Public Postsecondary Tuition Fund. The revenues attributable to the amendments made to Section 17041 of the Revenue and Taxation Code by the measure adding this section, less refunds and costs of administration, shall be deposited in the fund on a monthly basis.

(b) Notwithstanding Section 13340 of the Government Code, all moneys in the Public Postsecondary Tuition Fund are hereby continuously appropriated, without regard to fiscal years, to the Controller for allocation to the University of California and the California State University in an amount equal to the respective mandatory systemwide resident tuition or fees that are not collected by the University of California by operation of Section 10 of Article IX of the California Constitution and the California State University pursuant to Section 66017.5.

SEC. 4. Section 17041 of the Revenue and Taxation Code is amended to read:

17041. (a) (1) There shall be imposed for each taxable year upon the entire taxable income of every resident of this state who is not a part-year resident, except the head of a household as defined in Section 17042, taxes in the following amounts and at the following rates upon the amount of taxable income computed for the taxable year as if the resident were a resident of this state for the entire taxable year and for all prior taxable years for any carryover items, deferred income, suspended losses, or suspended deductions:

If the taxable income is:	The tax is:
Not over \$3,650.....	1% of the taxable income

Over \$3,650 but not	
over \$8,650.....	\$36.50 plus 2% of the excess over \$3,650
Over \$8,650 but not	
over \$13,650.....	\$136.50 plus 4% of the excess over \$8,650
Over \$13,650 but not	
over \$18,950.....	\$336.50 plus 6% of the excess over \$13,650
Over \$18,950 but not	
over \$23,950.....	\$654.50 plus 8% of the excess over \$18,950
Over \$23,950.....	\$1,054.50 plus 9.3% of the excess over \$23,950

(2) For taxable years beginning on or after January 1, 2009, and before January 1, 2011, the percentages specified in the table in paragraph (1) shall be increased by adding 0.25 percent to each percentage.

(3) (A) For each taxable year beginning on or after January 1, 2013, the income tax brackets and rates set forth in paragraph (1) shall be modified by each of the following:

(i) For that portion of taxable income that is greater than two hundred fifty thousand dollars (\$250,000) but equal to or less than five hundred thousand dollars (\$500,000), the tax rate is 10 percent of the amount that is in excess of two hundred fifty thousand dollars (\$250,000).

(ii) For that portion of taxable income that is greater than five hundred thousand dollars (\$500,000), the tax rate is 11 percent of the amount that is in excess of five hundred thousand dollars (\$500,000).

(B) The income tax brackets specified in this paragraph shall be recomputed, as otherwise provided in subdivision (h), only for taxable years beginning on or after January 1, 2014.

(b) (1) There shall be imposed for each taxable year upon the taxable income of every nonresident or part-year resident, except the head of a household as defined in Section 17042, a tax as calculated in paragraph (2).

(2) The tax imposed under paragraph (1) shall be calculated by multiplying the "taxable income of a nonresident or part-year resident," as defined in subdivision (i), by a rate (expressed as a percentage) equal to the tax computed under subdivision (a) on the entire taxable income of the nonresident or part-year resident as if the nonresident or part-year resident were a resident of this state for the taxable year and as if the nonresident or part-year resident were a resident of this state for all prior taxable years for any carryover items, deferred income, suspended losses, or suspended deductions, divided by the amount of that income.

(c) (1) There shall be imposed for each taxable year upon the entire taxable income of every resident of this state who is not a part-year resident for that taxable year, when the resident is the head of a household, as defined in Section 17042, taxes in the following amounts and at the following rates upon the amount of taxable income computed for the taxable year as if the resident were a resident of the state for the entire taxable year and for all prior taxable years for carryover items, deferred income, suspended losses, or suspended deductions:

If the taxable income is:	The tax is:
Not over \$7,300.....	1% of the taxable income

Over \$7,300 but not	
over \$17,300.....	\$73 plus 2% of the excess over \$7,300
Over \$17,300 but not	
over \$22,300.....	\$273 plus 4% of the excess over \$17,300
Over \$22,300 but not	
over \$27,600.....	\$473 plus 6% of the excess over \$22,300
Over \$27,600 but not	
over \$32,600.....	\$791 plus 8% of the excess over \$27,600
Over \$32,600.....	\$1,191 plus 9.3% of the excess over \$32,600

(2) For taxable years beginning on or after January 1, 2009, and before January 1, 2011, the percentages specified in the table in paragraph (1) shall be increased by adding 0.25 percent to each percentage.

(3) (A) For each taxable year beginning on or after January 1, 2013, the income tax brackets and rates set forth in paragraph (1) shall be modified by each of the following:

(i) For that portion of taxable income that is greater than three hundred forty-two thousand four hundred sixty-five dollars (\$342,465) but equal to or less than six hundred eighty-four thousand nine hundred thirty dollars (\$684,930), the tax rate is 10 percent of the amount that is in excess of three hundred forty-two thousand four hundred sixty-five dollars (\$342,465).

(ii) For that portion of taxable income that is greater than six hundred eighty-four thousand nine hundred thirty dollars (\$684,930), the tax rate is 11 percent of the amount that is in excess of six hundred eighty-four thousand nine hundred thirty dollars (\$684,930).

(B) The income tax brackets specified in this paragraph shall be recomputed, as otherwise provided in subdivision (h), only for taxable years beginning on or after January 1, 2014.

(d) (1) There shall be imposed for each taxable year upon the taxable income of every nonresident or part-year resident when the nonresident or part-year resident is the head of a household, as defined in Section 17042, a tax as calculated in paragraph (2).

(2) The tax imposed under paragraph (1) shall be calculated by multiplying the "taxable income of a nonresident or part-year resident," as defined in subdivision (i), by a rate (expressed as a percentage) equal to the tax computed under subdivision (c) on the entire taxable income of the nonresident or part-year resident as if the nonresident or part-year resident were a resident of this state for the taxable year and as if the nonresident or part-year resident were a resident of this state for all prior taxable years for any carryover items, deferred income, suspended losses, or suspended deductions, divided by the amount of that income.

(e) There shall be imposed for each taxable year upon the taxable income of every estate, trust, or common trust fund taxes equal to the amount computed under subdivision (a) for an individual having the same amount of taxable income.

(f) The tax imposed by this part is not a surtax.

(g) (1) Section 1(g) of the Internal Revenue Code, relating to certain unearned income of children taxed as if parent's income, shall apply, except as otherwise provided.

(2) Section 1(g)(7)(B)(ii)(II) of the Internal Revenue Code is modified, for purposes of this part, by substituting "1 percent" for "10 percent."

(h) For each taxable year beginning on or after January 1, 1988, the Franchise Tax Board shall recompute the income tax brackets prescribed in subdivisions (a) and (c). That computation shall be made as follows:

(1) The California Department of Industrial Relations shall transmit annually to the Franchise Tax Board the percentage change in the California Consumer Price Index for all items from June of the prior calendar year to June of the current calendar year, no later than August 1 of the current calendar year.

(2) The Franchise Tax Board shall do both of the following:

(A) Compute an inflation adjustment factor by adding 100 percent to the percentage change figure that is furnished pursuant to paragraph (1) and dividing the result by 100.

(B) Multiply the preceding taxable year income tax brackets by the inflation adjustment factor determined in subparagraph (A) and round off the resulting products to the nearest one dollar (\$1).

(i) (1) For purposes of this part, the term "taxable income of a nonresident or part-year resident" includes each of the following:

(A) For any part of the taxable year during which the taxpayer was a resident of this state (as defined by Section 17014), all items of gross income and all deductions, regardless of source.

(B) For any part of the taxable year during which the taxpayer was not a resident of this state, gross income and deductions derived from sources within this state,

determined in accordance with Article 9 of Chapter 3 (commencing with Section 17301) and Chapter 11 (commencing with Section 17951).

(2) For purposes of computing "taxable income of a nonresident or part-year resident" under paragraph (1), the amount of any net operating loss sustained in any taxable year during any part of which the taxpayer was not a resident of this state shall be limited to the sum of the following:

(A) The amount of the loss attributable to the part of the taxable year in which the taxpayer was a resident.

(B) The amount of the loss which, during the part of the taxable year the taxpayer is not a resident, is attributable to California source income and deductions allowable in arriving at taxable income of a nonresident or part-year resident.

(3) For purposes of computing "taxable income of a nonresident or part-year resident" under paragraph (1), any carryover items, deferred income, suspended losses, or suspended deductions shall only be includable or allowable to the extent that the carryover item, deferred income, suspended loss, or suspended deduction was derived from sources within this state, calculated as if the nonresident or part-year resident, for the portion of the year he or she was a nonresident, had been a nonresident for all prior years.

SEC. 5. Section 19602 of the Revenue and Taxation Code is amended to read:

19602. Except for amounts collected or accrued under Sections 17935, 17941, 17948, 19532, and 19561, and revenues deposited pursuant to Section 19602.5 and Section 66017.7 of the Education Code, all moneys and remittances received by the Franchise Tax Board as amounts imposed under Part 10 (commencing with Section

17001), and related penalties, additions to tax, and interest imposed under this part, shall be deposited, after clearance of remittances, in the State Treasury and credited to the Personal Income Tax Fund.

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